

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 357 - HB 844**

February 16, 2019

**SUMMARY OF BILL:** Deletes regulatory language regarding “industrial hemp” and replaces it with regulatory language regarding “hemp”, with the regulatory authority remaining with the Department of Agriculture (DOA).

Establishes an administrative framework for the regulations on hemp similar to the current regulations of industrial hemp growing and production.

Requires the Commissioner of DOA to submit a plan to the federal government for Tennessee to have primary regulatory authority over hemp production in this state as authorized by the federal Agricultural Improvement Act of 2018.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The Commissioner of DOA, in consultation with the Governor and the Attorney General and Reporter, can submit a plan to the federal government for the monitoring and regulation of hemp production without a significant increase in state expenditures.
- The regulatory provisions of this Act will take effect six months following the receipt of notification from the federal government that Tennessee has been approved to exercise primary regulatory authority over the production of hemp within its boundaries.
- Under current law, the plant *Cannabis Sativa* L. and any part of that plant with delta-9 tetrahydrocannabinol (THC) concentration more than three-tenths of one percent (0.3%) on a dry weight basis is classified as “industrial hemp”. Under the proposed legislation, this term would be replaced with “hemp”.
- The regulations concerning “industrial hemp” are deleted and a new chapter is created with regulations applicable to “hemp”. The majority of sections of the proposed legislation are currently being practiced by the DOA either through current law or rules promulgated by the Department.
- Because the majority the regulations proposed in this legislation are currently being performed by DOA, and given that any impacts associated with any other section of the legislation can be absorbed by the Department without significant additional expenditures, it is assumed that this proposed legislation will not have a significant

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impact on the State of Tennessee, the DOA, the federal government, or state and local tax revenue.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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